

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

In re: ) Chapter 7  
CAROL J. DELGADO, ) Case No. 20-08603  
Debtor. ) Hon. Deborah L. Thorne

**NOTICE OF MOTION**

TO: See attached list

PLEASE TAKE NOTICE that on **Thursday, November 19, 2020, at 9:00 a.m.**, I will appear before the Honorable Judge Deborah L. Thorne, or any judge sitting in that judge's place, and present the **Trustee's Motion To Extend Time To Object To Discharge And Dischargeability Of Debts** (the "Motion"), a copy of which is attached.

**This Motion will be presented and heard electronically using Zoom for Government.** No personal appearance in court is necessary or permitted. To appear and be heard on the Motion, you must do the following:

**To appear by video,** use this link: <https://www.zoomgov.com>. Then enter the meeting ID.

**To appear by telephone,** call Zoom for Government at 1-669-254-5252 or 1-646-828-7666. Then enter the meeting ID.

**Meeting ID and password.** The meeting ID for this hearing is 160 9362 1728. No password is required. The meeting ID and further information can also be found on Judge Thorne's web page on the Court's website.

**If you object to this Motion** and want it called on the presentment date above, you must file a Notice of Objection no later than two (2) business days before that date. If a Notice of Objection is timely filed, the Motion will be called on the presentment date. If no Notice of Objection is timely filed, the court may grant the Motion in advance without a hearing.

Dated: November 12, 2020  
Ronald R. Peterson (2188473)  
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Respectfully submitted,  
GINA B. KROL, not individually but as  
chapter 7 trustee for the estate of Carol J.  
Delgado

By: /s/ Ronald R. Peterson  
Special Counsel to the Trustee

**CERTIFICATE OF SERVICE**

I, Ronald R. Peterson, certify that on November 12, 2020, I caused a copy of the foregoing **Trustee's Motion to Extend Time to Object to Debtor's Discharge and Dischargeability of Debts** to be served upon the parties listed on the attached Service List that are registered with the Court's CM/ECF system, by electronic notification of the filing and to all others by U.S. mail, properly addressed and postage prepaid.

/s/ Ronald R. Peterson

**SERVICE LIST**

In re Delgado  
20-08603

**VIA ECF Notification:**

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
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In re: ) Chapter 7  
CAROL J. DELGADO, ) Case No. 20-08603  
Debtor. ) Hon. Deborah L. Thorne

**TRUSTEE'S MOTION TO EXTEND TIME  
TO OBJECT TO DEBTOR'S DISCHARGE AND DISCHARGEABILITY OF DEBTS**

Gina B. Krol, not individually but solely as chapter 7 trustee (the “**Trustee**”) for Carol J. Delgado (the “**Debtor**”), respectfully moves (the “**Motion**”) for entry of an Order, pursuant to section 727(c)(1) of the Bankruptcy Code and Bankruptcy Rules 4004(b) and 4007(c), extending the deadline to file complaints objecting to the Debtor’s discharge and/or the dischargeability of debts, and states:

**JURISDICTION AND AUTHORITY**

1. This Court has jurisdiction over this matter under 28 U.S.C. § 1334(b). Venue is proper under 28 U.S.C. § 1409. This matter is a core proceeding under 28 U.S.C. § 157(b)(2) and the Court has authority to enter a final order on this Motion. Even if the Court did not have such authority, the Trustee consents to the entry of a final order on this Motion.

2. The relief requested in this Motion is appropriate under section 727(c)(1) of the Bankruptcy Code and Bankruptcy Rules 4004(b) and 4007(c).

**BACKGROUND**

3. On January 27, 2020, the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Florida. (Case No. 20-11045-PGH (Bankr. S.D. Fla.), Dkt. 1.)

4. On February 11, 2020, CIBC Bank USA (“CIBC”) filed a motion to transfer venue of the Debtor’s case to the Northern District of Illinois. (Case No. 20-11045-PGH (Bankr. S.D. Fla.), Dkt. 13.) CIBC alleged that venue should be transferred because (i) contrary to the Debtor’s claims, the Debtor lives in Naperville, Illinois; and (ii) she maintains all of her assets, businesses, and properties in the Northern District of Illinois where she also is involved in multiple lawsuits including a criminal indictment against her. (*Id.* at 1.)

5. On March 9, 2020, the Florida bankruptcy court granted CIBC’s motion and ordered that the Debtor’s case “be transferred immediately to the U.S. Bankruptcy Court for the Northern District of Illinois – Eastern Division.” (Case No. 20-11045-PGH (Bankr. S.D. Fla.), Dkt. 34.)

6. After transfer to this Court, on May 21, 2020, the United States Trustee for the Northern District of Illinois filed a motion to dismiss the Debtor’s case or convert it to a case under chapter 7. (Dkt. 44.) The U.S. Trustee alleged that cause existed to dismiss or convert the case because the Debtor (i) failed to timely file monthly operating reports as required under chapter 11 of the Bankruptcy Code; (ii) failed to attend a meeting of creditors as required under section 341 of the Bankruptcy Code; and (iii) failed to pay quarterly fees to the U.S. Trustee as required by 28 U.S.C. §1930(a)(6). (Dkt. 44 at 5-8.) Acknowledging that the decision to convert or dismiss a case lies with the discretion of the Court, the U.S. Trustee suggested that conversion to chapter 7 would best serve the Debtor’s creditors as it appeared that assets exist to satisfy the claims of creditors, making the orderly administration of those assets by a chapter 7 trustee more desirable than a complete dismissal of the case. (*Id.* at 8-9.)

7. On June 1, 2020, CIBC filed a joinder to the U.S. Trustee’s motion, supporting the U.S. Trustee’s arguments and further arguing that cause existed to convert this case because

(i) there are continuing losses and diminution to the Debtor's estate; and (ii) there is no reasonable likelihood of the Debtor's rehabilitation through the chapter 11 process. (Dkt. 48 at 10-13.)

8. On June 11, 2020, the Court entered an order converting this case to a case under chapter 7 and authorizing the U.S. Trustee to appoint a chapter 7 trustee. (Dkt. 50.) On June 26, 2020, the Debtor and creditor Brent Houck moved to set aside or amend the order converting this case (Dkts. 60, 61), which motions the Court denied on July 2, 2020 (Dkt. 67, 68).

9. Thereafter, the U.S. Trustee appointed Gina B. Krol as chapter 7 trustee. (Dkt. 51.)

10. On July 17, 2020, the Debtor and creditor Brent Houck filed an appeal of the Court's decision denying their motion to set aside or amend the order converting this case. (Dkt. 69.) The district court hearing that appeal has set a briefing schedule that runs into January 2021.

11. On October 2, 2020, the Trustee filed an application to employ Jenner & Block as her special counsel (Dkt. 95), and the Court approved that application on October 15, 2020 (Dkt. 102).

12. Since her appointment, the Trustee and her counsel have been investigating the financial affairs of the Debtor and have determined that administration of this estate will be complicated for several reasons. First, the Debtor holds interests in real estate that potentially are subject to the claims of other owners and/or secured lenders. Second, the Debtor is involved in multiple lawsuits. In some, the Debtor likely holds valuable claims that would benefit the estate. In others, the Debtor may be at risk of liability. Notably, the Debtor has been criminally indicted in the Northern District of Illinois and that matter is ongoing. Finally, in this bankruptcy case, the Debtor has not been cooperative or forthcoming with the Court, her creditors, or the Trustee. In

addition to her failure to appear at required meetings or provide necessary documentation, the Debtor appears to be filing motions and appeals primarily for the purpose of frustrating the administration of this case.

13. Currently, the last day for the Trustee to object to the Debtor's discharge or the dischargeability of the Debtor's debts is November 25, 2020 (Dkt 92.)

14. Given the complexity of the Debtor's finances described above and the currently pending appeal, the Trustee requires additional time to determine whether cause exists to object to the Debtor's discharge or the dischargeability of any of the Debtor's debts.

15. Accordingly, the Trustee requests an extension of the deadline to object to the Debtor's discharge or dischargeability of debts through May 24, 2021. That is the same deadline requested by the U.S. Trustee. (Dkt. 111.)

16. Pursuant to Bankruptcy Rules 4004(b) and 4007(c), the Trustee has filed this Motion prior to the expiration of the current deadline to file a complaint objecting to the Debtor's discharge and/or the dischargeability of certain debts.

WHEREFORE, the Trustee respectfully requests that the Court enter an Order:

A. Extending the deadlines to file a complaint objecting to the Debtor's discharge under Section 727 of the Bankruptcy Code and to dischargeability of his debts under Section 523 of the Bankruptcy Code until May 24, 2021; and

B. Granting such other and further relief as this Court deems just.

Dated: November 12, 2020

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Respectfully submitted,

GINA B. KROL, not individually but as chapter 7 trustee for the estate of Carl J. Delgado

By: /s/ Ronald R. Peterson  
Special Counsel to the Trustee